

EAST VENTURES LIMITED
(N.P.L.)

Ivan C. Stairs

ANNUAL REPORT

1965

With Financial Statements and Auditors Report to July 31,
1965

EAST VENTURES LIMITED

Director's Report to the Shareholders.

Your directors are pleased to present the Annual Report of your company for the year 1965 together with a brief description of the financial position of the Company.

**EAST VENTURES LIMITED
(N. P. L.)**

**ANNUAL REPORT
1965**

Officers: Ivan C. Stairs, President
R. Bruce Jackson, Secretary-Treasurer
Muriel A. Calnan, Asst. Secretary

Directors: R. Bruce Jackson
Muriel A. Calnan
Edgar F. Stairs
Ivan C. Stairs

Solicitors: Messrs. Beauchemain & Valiquette, Montreal, P.Q.

Auditors: Hudson, McMackin & Company, Bathurst, N.B.

Transfer Agents: The Eastern and Chartered Trust Company
Montreal, P.Q.

Bankers: The Canadian Imperial Bank of Commerce,
Bathurst, N.B.

Head Office: Suite 1003, 612 St. James Street West, Montreal, P.Q.

**Executive
Office:** 920 Bridge Street, Bathurst, N.B.

The Directors would like to advise shareholders of the progress made during the past year in the preparation of the mine. The property is sufficiently mapped so that mining can be developed.

A second group of 20 claims were staked from the 920 Bridge Street area west of the primary staking in November and further west adjoining areas were also staked. Two diamond drill holes were put down in an electromagnetic anomaly in the western part of the property with little or no mineralization apparent. The eastern half of the property will continue to have the extensive of the mineralized zone determined by diamond drilling. Additional work is planned for early spring to attempt to delineate further on the claims held by the company.

EAST VENTURES LIMITED

Directors Report to The Shareholders.

Your directors are pleased to present the Annual Report of your company for the year 1965 together with a copy of the Balance Sheet and related Financial Statements.

During the calendar year 1965 your company carried out an extensive exploration program on properties in Ontario, New Brunswick and British Columbia.

The property in Godfrey Township in the Timmins Area in Ontario was allowed to lapse and revert to the Crown after diamond drilling of an electromagnetic anomaly failed to indicate anything of economic importance. A group of fifty claims was staked in Adair and Abbotsford Townships in Ontario to cover anomalies on aeromagnetic maps recently released by the Department of Mines & Technical Surveys. No work has yet been done on these claims.

Considerable surface trenching was carried out on the 37 claim group held in the Big Bend Area in British Columbia. This group is believed to contain the extensions of two and possibly four mineralized zones presently being developed by Westairs Mines Limited on adjoining properties to the north and south. Additional trenching of these zones is planned as soon as weather conditions permit.

Two attractive base metals properties were optioned by your company in the Bathurst-Newcastle Area in New Brunswick. A group of 24 claims was optioned from Bathurst Silver Mines Limited near Madran, N.B., in June and diamond drilling was carried out during June and July. A total of 14 drill holes indicated a modest tonnage of lead, zinc ore with appreciable cadmium and silver values in one of the two zones tested. There are at least two other zones that will require testing on this property and more work will be required to assess the economic possibilities of this property. There is a possibility of low cost open pit operations on this property if sufficient tonnage can be developed.

A second group of 20 claims was optioned from Mr. T.A. Jamieson about five miles west of the Brunswick Mining & Smelting ore bodies and adjoining Louvicourt Goldfields on the north. Two diamond drill holes were put down on an electromagnetic anomaly on the western part of the property but nothing of importance was intersected. The eastern half of the property holds promise of having the extension of the mineralized zone discovered by Louvicourt on it. Additional work is planned for early spring to attempt to trace this horizon on the claims held by the company.

*Hudson & MacKie & Company
Chartered Accountants*

During the year your company maintained a healthy financial position as is reflected in the balance sheet.

We look forward to a very active exploration season in 1966 and will continue to make every effort to find and develop a producing mine or mines.

To the Shareholders
East Ventures Limited
The Personal Letter

On behalf of the Directors,

Ivan C. Stairs

We have examined the financial statements of East Ventures Limited for the period January 1, 1965, to December 31, 1965, and the related audited financial statements for the period June 3, 1966 to July 31, 1966. Our examination includes a general review of the accounting procedures and we have no knowledge of any facts which would suggest evidence of any material misstatement in the financial statements.

In our opinion, the accompanying Balance Sheet and statements of deficit and dividends and other capital funds present fairly the financial position of East Ventures Limited at the dates indicated as of December, 1965 and the results of its operations for the period then ended, in conformity with soundly accepted accounting principles generally applied, and as shown by the books of the company.

Hudson & MacKie & Company

March 25, 1966

CHARTERED ACCOUNTANTS

Moncton, New Brunswick
March 25, 1966

Hudson, McMackin & Company

Chartered Accountants

BATHURST, N. B.

PARTNERS

G. W. Hudson
H. L. McMackin
G. A. Culton
W. W. B. Dick
H. F. Richards
J. F. Lonihan
J. O. Borlase
G. H. Steeves
P. M. Stevens
A. C. Shantzall
W. A. Bradshaw
S. W. Hudson
M. E. Collette
K. P. Baldwin

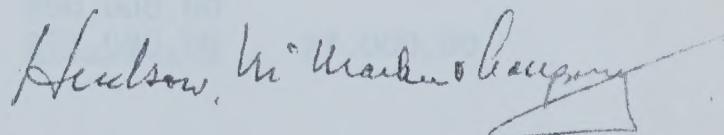
OFFICES
Saint John
Moncton
Fredericton
Bathurst
Halifax
Montreal
Toronto

AUDITORS' REPORT

To the Shareholders,
East Ventures Limited.
(No Personal Liability)

We have examined the Balance Sheet of East Ventures Limited (No Personal Liability) as at July 31, 1965, and the related statements of deficit and development and other expenditures for the period from date of incorporation, June 8, 1960 to July 31, 1965. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we consider necessary in the circumstances.

In our opinion, the accompanying Balance Sheet and Statements of deficit and development and other expenditures present fairly the financial position of East Ventures Limited (No Personal Liability) as at July 31, 1965 and the results of its operations for the period then ended, in conformity with general accepted accounting principles consistently applied, and as shown by the books of the company.



CHARTERED ACCOUNTANTS

Bathurst, New Brunswick,
March 28, 1966

This is the balance sheet referred to in
our report of even date
Bathurst, New Brunswick
March 28, 1966
Hudson, McMackin & Company
Chartered Accountants

East Ventures Limited
(No Personal Liability)
Incorporated Under the Law of the Province of Quebec
Balance Sheet
As At July 31, 1965

ASSETSCurrent Assets

Cash	45,600.16
Accounts Receivable	269.78
Due ^{from} affiliated company - I. C. Stairs Ltd.	857.85
Short term note receivable	25,000.00
Investment in other mining company - Note "A"	130,000.00
Deposit with Securities Commission	<u>1,000.00</u>
	202,687.79

Fixed Assets

Office Equipment - At Cost	364.00
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Mining Claims Options and Rights - Note "B"

Mining Claims Options and Rights - Note "B"	30,000.00
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Deferred Expenditures

Development & Other Expenditures - Exhibit "C"	104,408.89
Organization Costs	<u>3,899.60</u>
	<u>108,308.49</u>

\$341,360.28LIABILITIES & SHAREHOLDER'S EQUITYCurrent Liabilities

Accounts Payable	2,505.04
Due to affiliated companies - Note "D"	<u>7,317.35</u>

9,822.39

Shareholder's EquityCapital Stock - Par value \$1.00 per share.Authorized - 5,000,000 shares.Issued - 1,890,005 shares.

For mining claims 900,000 shares	900,000.00
Less discount on shares	<u>873,000.00</u>
For cash 990,005 shares	27,000.00
including 400,000 shares issued	
during the period Aug. 1/64 to	
July 31/65 for \$200,000.00	990,005.00
Less: Discount on shares	<u>552,500.00</u>
	437,505.00
	464,505.00
Deficit - per Exhibit "B"	<u>132,967.11</u>
	<u>331,537.89</u>

Approved on behalf of the Board of Directors\$341,360.28D. C. Blair DirectorThis is the balance sheet referred to in
our report of even date.M. MacLean Director

Bathurst, New Brunswick

March 28, 1966

Chartered Accountants: Hudson, McCormick & Company

East Ventures Limited
Statement of Deficit Account
On July 31, 1965

Mining claims abandoned and written off	\$ 35,814.00
Expenditures on mining claims abandoned	63,088.99
Loss from commodity and stock trading	<u>11,239.72</u>
Deficit balance July 31, 1964	\$110,142.71
Add: Mining claims abandoned and written off	7,200.00
Expenditures on mining claims abandoned	<u>15,624.40</u>
Balance - July 31, 1965 - to Exhibit "A"	<u>\$132,967.11</u>

East Ventures LimitedStatement of Development & Other ExpendituresFrom Date of Incorporation June 8, 1960 to July 31, 1965

	Total to July 31, 1964	Year ended July 31, 1965	Loss applicable to claims abandoned	Total to July 31, 1965
<u>Exploration & Development</u>				
Diamond Drilling		27,927.02	12,597.70	15,329.32
Consulting Engineers Fees & Exp.		1,502.16		1,502.16
Geophysical and				
Electromagnetic Surveys	688.00	1,980.08	872.00	1,796.08
Assaying		2,941.00	26.50	2,914.50
Mining licenses & fees		500.50	100.50	400.00
Transportation		1,907.32		1,907.32
Prospecting		2,115.49		2,115.49
Line Cutting	676.00	1,855.70	2,027.70	504.00
Mapping		1,743.10		1,743.10
Bunkhouse & Cookery		2,415.33		2,415.33
Field Explorations		13,465.76		13,465.76
	1,364.00	58,353.46	15,624.40	44,093.06
<u>Administrative</u>				
Administrative & Supervision	2,800.00	19,647.65		22,447.65
Publicity	1,611.62	3,123.89		4,735.51
Telephone & Telegrams	3,550.60	270.82		3,821.42
Stationery & Office Expense	2,143.67	524.06		2,667.73
Transfer Agent Fees	2,215.62	1,183.41		3,399.03
Registering & Listing Fees	2,034.53	1,904.89		3,939.42
Business Taxes	175.00	55.00		230.00
Miscellaneous Expenses	646.82	100.00		746.82
Professional Fees	8,158.51	4,934.12		13,092.63
Office Salaries	1,635.00	926.40		2,561.40
Travel	782.90	1,309.43		2,092.33
Office Rent		1,483.00		1,483.00
Bank Charges		59.26		59.26
Unemployment Insurance		39.42		39.42
Vacation Pay		209.11		209.11
Workmen's Compensation		467.20		467.20
Insurance		111.18		111.18
	25,754.27	36,348.84		62,103.11
Deduct Interest Income	1,635.67	151.61		1,787 . 28
	24,118.60	36,197.23		60,315.83
	\$25,482.60	\$94,550.69	\$15,624.40	\$104,408.89

East Ventures Limited

Notes to Financial Statements

On July 31, 1965

Note A:	The investment is represented by 1,000,000 shares in Westairs Mines Limited, a non-producing mine. Subsequent to July 31, 1965 500,000 of these shares were sold for \$100,000.00	
Note B:	Thirty-seven mining claims held under development licenses in the Revelstoke Mining Division, British Columbia, acquired for	\$25,000.00
	Twenty-four mining claims in Gloucester County, New Brunswick, acquired under option for	<u>5,000.00</u>
		<u>\$30,000.00</u>
Note C:	Legal action has been taken against the company for \$9,800.00 for alleged damage to property. The company considers the claim to be exaggerated and has filed a defence.	
Note D:	Due to affiliated companies:	
	Stairs Laboratories Limited	1,566.00
	Stairs Exploration & Mining Co. Ltd.	4,728.28
	Westairs Mines Limited	<u>1,083.07</u>
		<u>\$ 7,317.35</u>

